CHECKLIST ENVIRONMENTAL ASSESSMENT

Project Name:	Gas Exploration Well
Proposed Implementation Date:	May 15, 2008
Proponent:	Bill Barrett Corporation
Location:	SW ¼ Section 16, T4N, R8E
County:	Park

I. TYPE AND PURPOSE OF ACTION

Drill a gas exploration well on private land with State owned minerals.

II. PROJECT DEVELOPMENT

1. PUBLIC INVOLVEMENT, AGENCIES, GROUPS OR INDIVIDUALS CONTACTED:

Provide a brief chronology of the scoping and ongoing involvement for this project.

Contacted land owner Dwight Pulis (406-578-2386) 4/16/08. He had 2 concerns; impingement into the road by the explorations companies drilling pad and natural gas & hydrogen sulfide settling around their house.

The Montana Natural Heritage Program for Species of Concern

2. OTHER GOVERNMENTAL AGENCIES WITH JURISDICTION, LIST OF PERMITS NEEDED:

Gas exploration permit

3. ALTERNATIVES CONSIDERED:

No action – No well drilling exploration allowed.

Allow well drilling exploration as proposed.

III. IMPACTS ON THE PHYSICAL ENVIRONMENT

- *RESOURCES potentially impacted are listed on the form, followed by common issues that would be considered.*
- *Explain POTENTIAL IMPACTS AND MITIGATIONS following each resource heading.*
- *Enter "NONE" If no impacts are identified or the resource is not present.*

4. GEOLOGY AND SOIL QUALITY, STABILITY AND MOISTURE:

Consider the presence of fragile, compactable or unstable soils. Identify unusual geologic features. Specify any special reclamation considerations. Identify any cumulative impacts to soils.

The surface geology consist of fluvial & alluvial fan deposits, these are predominantly well drained silty soils in an area receives 14 – 18 inches of rain per year.

5. WATER QUALITY, QUANTITY AND DISTRIBUTION:
Identify important surface or groundwater resources. Consider the potential for violation of ambient water quality standards, drinking water maximum contaminant levels, or degradation of water quality. Identify cumulative effects to water resources.

None. No waterway in the area

6. AIR QUALITY:
What pollutants or particulate would be produced? Identify air quality regulations or zones (e.g. Class I air shed) the project would influence. Identify cumulative effects to air quality.

Air quality is good. Particulates will be increased during this project. After the completion of the project the air quality should return to normal.

Natural gas is lighter than air; any release will dissipate in the atmosphere.

Hydrogen Sulfide is not expected to be an issue due to the depth of the well. 2 wells have been drilled in the general area and haven't had Hydrogen Sulfide. If Hydrogen Sulfide is encountered during exploration emergency procedures are required to be implemented by the Oil & Gas Board.

7. VEGETATION COVER, QUANTITY AND QUALITY:
What changes would the action cause to vegetative communities? Consider rare plants or cover types that would be affected. Identify cumulative effects to vegetation.

Vegetation will be affected by this project. The need to traverse areas of land that have no roads will cause vegetative disturbance along with the pad infrastructure installation. The potential for weed introduction is increased through transport on equipment and ground disturbance.

The stipulations on this permit will require the pad construction disturbance to be rehabilitated, seeded and the weeds to be controlled.

There is no evidence of rare plants or cover types in the scope of the project.

8. TERRESTRIAL, AVIAN AND AQUATIC LIFE AND HABITATS:
Consider substantial habitat values and use of the area by wildlife, birds or fish. Identify cumulative effects to fish and wildlife.

No impacts are expected as a result of this permit.

9. UNIQUE, ENDANGERED, FRAGILE OR LIMITED ENVIRONMENTAL RESOURCES:
Consider any federally listed threatened or endangered species or habitat identified in the project area. Determine effects to wetlands. Consider Sensitive Species or Species of special concern. Identify cumulative effects to these species and their habitat.

The Montana Natural Heritage Program for Species of Concern on these lands. Their survey found 3 species of concern, Gray Wolf, Greater Sage Grouse and Mojave Brickellbush.

The exploration well is located on land that has been cultivated for a number of years and should not have any affect on any of these species.

10. HISTORICAL AND ARCHAEOLOGICAL SITES:
Identify and determine effects to historical, archaeological or paleontological resources.

No cultural resources have been identified in the project area.

This land has been cultivated for many years no resources are expected per Patrick Rennie DNRC Archeologist.

11. AESTHETICS:
Determine if the project is located on a prominent topographic feature, or may be visible from populated or scenic areas. What level of noise, light or visual change would be produced? Identify cumulative effects to aesthetics.

Once exploration is complete the developed well would cover an area less than 10' X 10' and is only 6' tall.

Little impact would be expected.

12. DEMANDS ON ENVIRONMENTAL RESOURCES OF LAND, WATER, AIR OR ENERGY:
Determine the amount of limited resources the project would require. Identify other activities nearby that the project would affect. Identify cumulative effects to environmental resources.

None.

13. OTHER ENVIRONMENTAL DOCUMENTS PERTINENT TO THE AREA:
List other studies, plans or projects on this tract. Determine cumulative impacts likely to occur as a result of current private, state or federal actions in the analysis area, and from future proposed state actions in the analysis area that are under MEPA review (scoped) or permitting review by any state agency.

The land owner has allowed for the drilling of exploration wells on his land adjacent to this parcel.

IV. IMPACTS ON THE HUMAN POPULATION

- *RESOURCES potentially impacted are listed on the form, followed by common issues that would be considered.*
- *Explain POTENTIAL IMPACTS AND MITIGATIONS following each resource heading.*
- *Enter "NONE" If no impacts are identified or the resource is not present.*

14. HUMAN HEALTH AND SAFETY:
Identify any health and safety risks posed by the project.

Impacts to Health and human safety are not expected. A release of natural gas would dissipate in the atmosphere since it is lighter than air. Hydrogen Sulfide is readily detectable by smell well below concentrations of concern to health.

15. INDUSTRIAL, COMMERCIAL AND AGRICULTURE ACTIVITIES AND PRODUCTION:
Identify how the project would add to or alter these activities.

The permitee has an agreement with the surface owner for damages to there improvements and agricultural activities before starting exploration.

Of concern to the land owner is impingement of the road by the drilling pad. In the stipulations we will require the permitee to position the drilling pad in a manner that doesn't

16. QUANTITY AND DISTRIBUTION OF EMPLOYMENT:
Estimate the number of jobs the project would create, move or eliminate. Identify cumulative effects to the employment market.

The proposal would have no affect on quantity and distribution of employment.

17. LOCAL AND STATE TAX BASE AND TAX REVENUES:
Estimate tax revenue the project would create or eliminate. Identify cumulative effects to taxes and revenue.

Unchanged by this action.

18. DEMAND FOR GOVERNMENT SERVICES:
Estimate increases in traffic and changes to traffic patterns. What changes would be needed to fire protection, police, schools, etc.? Identify cumulative effects of this and other projects on government services

None

19. LOCALLY ADOPTED ENVIRONMENTAL PLANS AND GOALS:
List State, County, City, USFS, BLM, Tribal, and other zoning or management plans, and identify how they would affect this project.

This tract is not Zoned.

20. ACCESS TO AND QUALITY OF RECREATIONAL AND WILDERNESS ACTIVITIES:
Identify any wilderness or recreational areas nearby or access routes through this tract. Determine the effects of the project on recreational potential within the tract. Identify cumulative effects to recreational and wilderness activities.

None

21. DENSITY AND DISTRIBUTION OF POPULATION AND HOUSING:
Estimate population changes and additional housing the project would require. Identify cumulative effects to population and housing.

None.

22. SOCIAL STRUCTURES AND MORES:
Identify potential disruption of native or traditional lifestyles or communities.

No disruption or affect on communities should be expected.

23. CULTURAL UNIQUENESS AND DIVERSITY:
How would the action affect any unique quality of the area?

No change to uniqueness or diversity would be expected.

24. OTHER APPROPRIATE SOCIAL AND ECONOMIC CIRCUMSTANCES:
Estimate the return to the trust. Include appropriate economic analysis. Identify potential future uses for the analysis area other than existing management. Identify cumulative economic and social effects likely to occur as a result of the proposed action.

This project has the ability to produce revenue for the school trust if a productive gas well is developed through royalties.

EA Checklist Prepared By:	Name: Craig Campbell/s/	Date: 4/08/08
	Title: Bozeman Unit Manager	

V. FINDING

25. ALTERNATIVE SELECTED:

Issue permit to drill exploratory well.

26. SIGNIFICANCE OF POTENTIAL IMPACTS:

Significant impacts are not anticipated as a result of the proposed action. The terrain of the selected site is well suited for drilling operations. Mitigation activities (seeding of disturbed areas, weed control etc) associated with the permit are common effective and accepted practices. There are no unique habitats, unusual vegetation Threatened or Endangered Species or waterways within the project area or which would be impacted by the proposed activity. The drill site has been cultivated for agricultural purposes for many years. The project area consists of private surface ownership with state minerals. The surface owner has reached agreement with the proponent for any potential short term surface damages. The surface owner has also authorized several exploratory wells on his mineral ownership in this vicinity without significant impact.

27. NEED FOR FURTHER ENVIRONMENTAL ANALYSIS:

[ ] EIS [ ] More Detailed EA [X] No Further Analysis

EA Checklist Approved By:	Name: Garry Williams	
	Title: CLO Area Manager	
Signature: /S/ Garry Williams		**Date**: 4/21/2008

Exploratory well site—T4N-R8E-Sec. 16—SW1/4